

Questions and Answers about C. P. S.

Question: While the new Physician Manual proves helpful in billing for services rendered to C.P.S. patients, it has the appearance of being quite expensive. Does C.P.S. have to spend so much money in getting this information to doctors?

Answer: When 12,000 manuals are produced at once, as in this case, the printing cost for each is quite low. Several bid prices were received from printers and the lowest bid, which was accepted, amounted to only about 30 cents per copy—definitely a reasonable price when the following points are considered: The manual is not only attractive but durable and serviceable; its loose-leaf binding permits insertion of new pages when necessary; it lies flat when opened, permitting easier use; sections are tabbed for quicker reference.

In addition, the Manual will pay for itself by reducing the number of letters between physician members and C.P.S. In the relatively short time since the manual was distributed to doctors' offices, C.P.S. has noticed an appreciable decrease in the number of claim rejections and an even greater decrease in correspondence relative to claims. Surveys show that, including all cost factors, the expense of writing letters ranges from a minimum of 30 cents to as high as \$1. Each time the information provided in the Manual eliminates correspondence between physician members and C.P.S. it is helping to pay for itself.

Question: Who sets the C.P.S. income ceiling?

Answer: The C.P.S. income ceiling is set by the C.P.S. House of Delegates, which is also the C.M.A. House of Delegates.

At the last annual meeting of the House of Delegates, two resolutions regarding the income ceiling were proposed. One proposed that the ceiling be raised from \$3,600 to \$4,800. The other proposed that the ceiling be maintained at \$3,600. The Resolutions Committee, to which these proposals were referred, then recommended a substitute resolution, as follows: That the ceiling for single persons without dependents be maintained at \$3,600 and that the ceiling for family persons be increased from \$3,600 to \$4,200. This substitute resolution was passed by the House of Delegates.

Question: What is the intended use of the new green envelopes, marked for the attention of the C.P.S. Medical Director, which have been sent to physician members?

Answer: While this question was answered in the November issue, the continued misuse of the green envelopes warrants a repeated explanation.

The green envelopes were supplied to physician members to speed the handling of claims on com-

plicated or unusual procedures. A saving of time and special medical consideration is effected by having these claims sent directly to the Medical Director—instead of having them routed through the normal processing channels as is done with routine claims.

Experience since their introduction, however, shows that the use of the green envelopes is being misunderstood. Instead of restricting their use to complicated or unusual cases, many physicians are using them for routine bills—thereby retarding consideration of claims which really merit special attention by the Medical Director.

An additional point: When a claim is sent in the green envelope, it should be accompanied by a short report from the physician, describing the particular problem involved in the case.

Question: Under the new two-visit-deductible medical contract, are maternity services on an indemnity basis?

Answer: Yes. According to the wording of the contract, C.P.S. provides "an allowance of \$50 to be applied towards the total cost of all professional prenatal, postnatal and obstetrical services in cases of pregnancy or childbirth" for female employee members who have held the contract for at least nine successive months prior to delivery. As a result, the income ceiling does not apply for professional services in maternity cases. The physician may bill the patient directly for the difference between the C.P.S. allowance and his private fee.

Question: Is there a difference between the individual family plan and the direct payment program?

Answer: Yes. The individual family plan is for persons who wish to join C.P.S. but who are not qualified for group enrollment because they are not employed in a group of five or more persons. The direct payment program is for persons who originally were enrolled in a group and who wish to retain C.P.S. membership after they have left the group.

C.P.S. Payments to Physicians

C.P.S. physician members now are receiving payments at 100 per cent of the existing (1949) Fee Schedule for services rendered to C.P.S. patients.

Announcement of the action, effective for services rendered on and after December 1, 1951, was made at the recent interim meeting of the House of Delegates by Dr. Donald Cass, president of the C.P.S. Board of Trustees.

Letters notifying each physician member were immediately dispatched.

Payment of 100 per cent fees was foreshadowed by the introduction of new C.P.S. contracts for beneficiary members in the autumn of 1950. The new contracts, adjusting both rates and benefits, gradually replaced the then existing contracts. Even before contract conversion was completed, the relationship of the new contracts to fee payments was shown last June 1 when fees were raised from 80 to 90 per cent. Now, with conversion largely completed, C.P.S. is able to boost payments to the full amounts listed in the Fee Schedule.

In announcing the action, Dr. Cass paid tribute to the medical profession's "unselfish support of C.P.S." through the years in accepting less-than-normal fees so that the plan, which commenced as a pioneering organization in the field of prepaid health, could gain strength and experience and lay a solid foundation for the future.

The C.P.S. administration, in accordance with a resolution adopted at the last annual meeting of the C.P.S. House of Delegates, is taking steps to have representatives appear at hospital staff meetings to give physicians up-to-date reviews of C.P.S. activities and plans. All hospitals have been requested to inform C.P.S. of regular staff meeting dates, and some meetings now are being programmed.

Members of the C.P.S. House of Delegates, their alternates and secretaries of county medical societies are now receiving bimonthly reports from the C.P.S. administration. Summarizing important C.P.S. developments, including actions of the C.P.S. Board of Trustees, the reports will be a source of information about C.P.S. not only for the delegates and alternates, but also for the physicians they represent.

